

MOVEMENT TO SHARE CAPITAL AND INFORMATION OF SHAREHOLDERS

1. Changes in share capital

Unit: Share

	Before change		Issue of new shares	Increase/decrease (+, -)			Sub-total	After change	
	Number	Percentage (%)		Bonus issues	Conversion from reserves	Others		Number	Percentage (%)
I. Outstanding unlisted shares									
1. Promoters' shares									
Of which:									
State-owned shares									
Domestic legal person shares	650,000,000	61.09%		195,000,000			845,000,000	845,000,000	61.09%
Overseas legal person shares									
Others									
2. Raised legal person shares									
3. Internal employee shares									
4. Preferential share or other									
Total unlisted non-circulating shares									
II. Listed circulating shares									
1. Renminbi ordinary shares									
2. Foreign shares listed domestically									
3. Foreign shares listed overseas	413,944,000	38.91%		124,183,200			538,127,200	538,127,200	38.91%
4. Others									
III. Total shares	1,063,944,000	100%		319,183,200			1,383,127,200	1,383,127,200	100%

Note: Approved by the CSRC on 29th January 2007, the Company issued 350,000,000 Renminbi ordinary shares (A shares) successfully in PRC. For the details on the change of shareholding, please refer to the announcement of the Company on initial public offer of A shares published by the Company on 27th February 2007.

2. Shareholders

- (1) At the end of reporting period, the total number of shareholders was 266, of which 1 was the holder of domestic shares, 265 were holders of H Shares

MOVEMENT TO SHARE CAPITAL AND INFORMATION OF SHAREHOLDERS (CONTINUED)

2. Shareholders (Continued)

(2) Shareholding of the top ten shareholders at the end of reporting period:

Chongqing Iron & Steel Company (Group) Limited, the controlling shareholders of the Company, holds 845,000,000 state-owned legal person shares of the Company, representing 61.09% of total share capital of the Company. Established on 22nd June 1995, the parent is a state-owned company with the Chongqing municipal government being its sole shareholder. Its legal representative is Dong Lin with a registered capital of Rmb1, 038,280,000 and registered address at No.1, Building No1, Dayan Village III, Dadukou District, Chongqing, the PRC. Its principal business and products include: Assets operation, investment and property right trading within the entrusted authority, manufacture and sale of metal materials, machinery products, casting and forging products and general spare parts, home appliances, computer and parts, electronic devices and components, instruments and meters, measuring instruments, textile products, apparels, timer products, refractory materials, chemical products(excluding dangerous chemicals), contracting and exporting overseas projects and domestic tendering projects related to self produced complete equipments; dispatching labours abroad for such overseas projects, production technology as well as labours engaged in maintenance and after-sale services. The other top ten shareholders are as follows:

Name of shareholder	Type of shareholder	Percentage to total share capital (%)	Total Number of shares held	Number of non-circulating shares held	Number of shares pledged or frozen
HKSCC Nominees Limited	Foreign shareholder	37.68%	521,182,670	0	Unknown
UBS AG	Foreign shareholder	2.34%	32,316,891	0	Unknown
HSBC NOMINEES (HONG KONG) LIMITED	Foreign shareholder	0.56%	7,789,600	0	Unknown
KWAN KAM ON	Foreign shareholder	0.03%	442,000	0	Unknown
HO KING YIN	Foreign shareholder	0.03%	420,000	0	Unknown
WONG WAN YUI	Foreign shareholder	0.02%	325,000	0	Unknown
TAI SAI CHOI	Foreign shareholder	0.02%	301,600	0	Unknown
TAI SAI WING	Foreign shareholder	0.02%	301,600	0	Unknown
LIN DUNG LEUNG	Foreign shareholder	0.02%	273,000	0	Unknown

Note 1: There is no connection or any party acting in concert as defined in Measures for Management on Information Disclosure of Changes in Shareholdings of Listed Company's Shareholders between Chongqing Iron & Steel Company (Group) Limited other 9 shareholders. The Company is not aware of any connected relationship among the other 9 shareholders or any party acting in concert.

Note 2: Chongqing Iron & Steel Company (Group) Limited pledged 650,000,000 shares in the Company to Chongqing Guodi Assets Operation and Management Company. The pledge was terminated on 28th December 2006. Besides, none of the Company's shareholders holding 5% or more of the share capital disclosed shares being pledged, frozen or under custody.

Note 3: The 521,182,670 shares held by HKSCC Nominees Limited are shares held on behalf of its customers.

Note 4: Save as disclosed above, as at 31st December 2006, the Board is not aware of any persons having any interest or short positions in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Section 336 of Securities and Futures Ordinance.

MOVEMENT TO SHARE CAPITAL AND INFORMATION OF SHAREHOLDERS (CONTINUED)

2. Shareholders (Continued)

(3) Shareholding of the top ten holders of circulating shares at the end of reporting period

Name of shareholder	Number of circulating shares held	Class of share
HKSCC Nominees Limited	521,182,670	Overseas listed foreign shares
UBS AG	32,316,891	Overseas listed foreign shares
HSBC NOMINEES (HONG KONG) LIMITED	7,789,600	Overseas listed foreign shares
KWAN KAM ON	442,000	Overseas listed foreign shares
HO KING YIN	420,000	Overseas listed foreign shares
WONG WAN YUI	325,000	Overseas listed foreign shares
TAI SAI CHOI	301,600	Overseas listed foreign shares
TAI SAI WING	301,600	Overseas listed foreign shares
LIN DUNG LEUNG	273,000	Overseas listed foreign shares
LAM KEI PING	260,000	Overseas listed foreign shares

Note: The Company is not aware of any connected relationship among the top ten holders of circulating shares or any party acting in concert.

- (4) As at the reporting date, as far as the directors are aware, the Company is in compliance with minimum public float under the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.
- (5) Frame of property right and controlling relationship between the Company and beneficial shareholder

